

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
MARCH 16, 2015**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, March 16, 2015.

The meeting was called to order by Chairman Rick Stradtner.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Rick Stradtner – Chairman
Doug Schulte – Vice Chairman
Roger Seng – Secretary
Alex Emmons – Wastewater Commissioner
Wayne Schuetter – Electric Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Renee Kabrick – City Attorney

PLEDGE OF ALLEGIANCE (DVD-00:46)

Chairman Rick Stradtner led the Pledge of Allegiance.

QUOTE OPENING: LOADER BACKHOE – ELECTRIC DISTRIBUTION (DVD-01:08)

Bud Hauersperger opened the quotes and read them aloud as follows:

- | | |
|--------------------------|--|
| 1. Hopf Equipment | \$ 94,250.00 |
| Huntingburg, IN | - 81,119.00 (trade-in) |
| | \$13,131.00 |
| 2. Whayne Supply Company | \$101,102.00 |
| Evansville, IN | - 81,000.00 (trade-in) |
| | \$ 20,109.00 on quote form. |
| | This amount does not figure correctly. |

3. ERB Equipment Company	\$ 83,750.00
Evansville, IN	- 77,500.00 (trade-in)
	\$ 6,250.00

All quotes included a Non-Collusion affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Jerry Schitter asked for the Board's permission to purchase the loader backhoe from the low bidder, ERB Equipment Company, for \$6,250, as long as all specifications are met.

Alex Emmons made a motion to approve the purchase of the loader backhoe, for the Electric Distribution Department, from ERB Equipment Company for \$6,250, if all specifications are met. Wayne Schuetter seconded the motion. Motion approved, 7-0.

QUOTE OPENING: LOCATOR – ELECTRIC DISTRIBUTION (DVD-06:53)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Green Equipment Company	\$8,424.00
Ft. Worth, TX	
2. Subsurface Solutions	\$7,375.00
Gretna, NE	
3. C & S Solutions	\$7,995.85
Cincinnati, OH	

All quotes included a Non-Collusion affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Jerry Schitter asked for the Board's permission to purchase the locator from the low bidder, Subsurface Solutions, for \$7,375, as long as all specifications are met.

Wayne Schuetter made a motion to approve the purchase of the locator, for the Electric Distribution Department, from Subsurface Solutions for \$7,375, if all specifications are met. Keith Masterson seconded the motion. Motion approved, 7-0.

QUOTE OPENING: MANAGER SUV – ELECTRIC DISTRIBUTION (DVD-11:46)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Bob Luegers Motors	\$24,757.00
Jasper, IN	- 4,800.00 (trade-in)
	\$19,957.00

2.	Uebelhor & Sons Jasper, IN	\$24,695.00 <u>- 4,500.00</u> (trade-in) \$20,195.00
3.	Ruxer Ford Jasper, IN	\$32,251.69 <u>- 3,750.00</u> (trade-in) \$28,501.69
4.	Sternberg Chrysler Jasper, IN	A) Jeep Compass Sport \$20,391.00 <u>- 4,500.00</u> (trade-in) \$15,891.00
		B) Jeep Cherokee Latitude \$24,550.00 <u>- 4,500.00</u> (trade-in) \$20,050.00
		C) Jeep Cherokee Sport \$22,677.00 <u>- 4,500.00</u> (trade-in) \$18,177.00
		D) Jeep Compass Latitude \$23,464.00 <u>- 4,500.00</u> (trade-in) \$18,964.00

All quotes included an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility. All quotes also included a Non-Collusion affidavit except Ruxer Ford. They did not include this form with their quote.

Jerry Schitter asked for the Board's permission to take the quotes under advisement and report back at next month's Utility Service Board meeting with a recommendation.

Wayne Schuetter made a motion to give Schitter permission to take the quotes under advisement. Roger Seng seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (DVD-20:36)

Chairman Rick Stradtner presented the minutes of the February 17, 2015 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Doug Schulte made a motion to approve the minutes of the meeting as presented. Wayne Schuetter seconded the motion. Motion approved, 7-0.

REQUEST TO VACATE PUBLIC SEWER EASEMENTS – 750 2ND STREET – INDIANA INVESTMENTS OF JASPER, LLC (DVD-21:02)

Ed Hollinden, spoke on behalf of Indiana Investments of Jasper regarding the request to vacate a Public Sewer easement at 750 Second Street in the IGA area. Hollinden explained to the Board

that this is an old easement and the lines were abandoned long ago. This vacate is just cleaning up old records. Department managers have no objections with the vacation.

Alex Emmons made a motion to recommend to the Common Council the vacation of the Public Sewer easement at 750 Second Street. Wayne Schuetter seconded the motion. Motion approved, 7-0.

REQUEST TO EXTEND 8" WATER MAIN TO PROPERTY ALONG GUN CLUB ROAD – BRAD COOMER (DVD-24:15)

Jay Houchin, spoke on behalf of Brad Coomer, regarding the property owned by Annetta Houchin, at 2004 Gun Club Road. Houchin asked for the Board's approval to extend an eight inch water line onto the Gun Club Road property. The water line needs to be extended another 150 feet onto the property. The cost to extend the water line will be paid for by the property owner.

The property has a private water source at this time. A meter will be installed 10 feet inside the property line. A non-resident connection and an annexation waiver form will need to be obtained from the property owner. Hinkle stated that a letter from Houchin and Coomer will be submitted stating that they are responsible for paying for the eight inch water line extension. Hinkle will provide the property owner an estimate to be acknowledged in the letter.

Alex Emmons made a motion to approve the request to extend an eight inch water main to the 2004 Gun Club Road property, assuming the property owner meets all City specifications. Keith Masterson seconded the motion. Motion approved, 7-0.

ROOF REPLACEMENT (DVD-29:31)

Jerry Schitter informed the Board that the roof on the office building at McCrillus Street is complete. Schitter stated that the new roof will help lower utility costs. The Line building roof is also in the process of being completed this week.

ENVIRONMENTAL ASSESSMENT (DVD-30:35)

Hauersperger informed the Board that the Environmental Assessment is still being completed at the Power Plant. Paint and water samples have been taken and they are waiting on the results.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-31:07)

Wayne Schuetter, Chairman of the Electric Planning Committee, stated the committee did not meet during the past month.

UPDATE ON UV PROJECT (DVD-31:14)

Derick Wiggins, with Midwestern Engineers, updated the Board regarding the UV project. Wiggins presented the Board with an updated schedule of work from the contractor. Wiggins stated that not much work has been completed the past month due to bad weather. The contractor is behind three weeks. At this time no extension has been granted, but Wiggins does

anticipate a time extension request at some point. Substantial completion date is expected in mid-July. The contractor is scheduled to pour walls tomorrow morning.

GAS PLANNING COMMITTEE REPORT (DVD-32:55)

Keith Masterson, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-33:00)

Dave Hurst, Chairman of the Water Planning Committee, stated the committee did meet on March 2, 2015. At the meeting the Committee discussed the recent Water Rate Study performed by HJ Umbaugh. The last rate study was performed two years ago in 2012, and at that time no rate adjustment was made. The last rate increase was in 2010.

Deen Rogers, with HJ Umbaugh, was present at the meeting and explained the Water rate study to the Committee members. Rogers stated that the results for the Water rate study included information collected through the test year ending November 30, 2014. Rogers said that revenues were down during this period. The Power Plant no longer operating is a big factor in the loss of revenues. Rogers also mentioned that the State mandated UV project at the Water plant is a big unfunded expense, which the City had no control over. The proposed Beaver Dam spillway modifications, which total \$350,000, are also a key factor in the study, as well as, the loan payment for the Third Avenue Project.

The results of the rate study had two alternatives, both fairly high increases. The Committee discussed both alternatives. They also discussed, in great detail, how to lower the alternatives by spreading out the outstanding loans the Water Department has at this time. The Committee asked HJ Umbaugh to recalculate the alternatives with adjustments for new loan calculations.

The Committee did not make any decisions regarding a water rate increase. Another Water Committee meeting will be scheduled, before the April Utility Service Board meeting, to discuss the adjustments for the new loan calculations from HJ Umbaugh and how they affect the water rates.

DISTRIBUTION MECHANIC RESIGNATION (DVD-35:52)

Hinkle informed the Board that one of the Distribution Mechanics turned in a letter of resignation. Hinkle asked for the Board's permission to start the hiring process for his replacement.

Keith Masterson made a motion to give Hinkle permission to start the hiring process for a Distribution Mechanic. Wayne Schuetter seconded the motion. Motion approved, 7-0.

PERMISSION TO START HIRING PROCESS FOR LIFT STATION TECHNICIAN (DVD-36:50)

Ed Hollinden asked for the Board's permission to start the hiring process for a Lift Station Technician. Hollinden explained that a couple of months ago a Plant Operator position was open

due to a retirement, and the position was filled internally. This has now opened a Lift Station Technician position. The Lift Station Technician opening will also be posted internally first.

Wayne Schuetter made a motion to give Hollinden permission to start the hiring process for a Lift Station Technician. Roger Seng seconded the motion. Motion approved, 7-0.

DECLARE ITEMS SURPLUS (DVD-37:48)

Hollinden asked for the Board's permission to declare items as surplus for 2015. He presented the Board with a listing of items. The list included the following items, which will be auctioned later this summer, a 3" trash pump with Wisconsin engine, a MTD snow thrower, (2) Justrite 22 gallon flammable safety tanks, a cable cumalong, a coffering chain cumalong, (205) florescent lamps, and a single axle trailer with sideboards and ramp. The list also included the following items, which will be scrapped, a custom computer with keyboard, a HP printer, a Mita copy machine, and an Acer monitor.

Doug Schulte made a motion to declare the items surplus in 2015 for the Wastewater Department. Wayne Schuetter seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-38:49)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

OUTSIDE WATER SERVICE AGREEMENTS NOT ENDORSED BY JMU (DVD-39:03)

Hauersperger informed the Board that residents of Jasper have been receiving service agreements regarding water lines to the home in the mail. Hauersperger stated that the City has nothing to do with these service agreements. These are independent companies trying to sell them. Hauersperger urges home owners to read the fine print before buying anything.

BEAVER SPILLWAY BID DOCUMENTS READY FOR REVIEW (DVD-40:15)

Hauersperger stated that the bid documents for the Beaver Spillway upgrade project are being reviewed in-house at this time. Hauersperger is hoping that the bid documents go out shortly and will be back in time for opening at the April Utility Service Board meeting.

EMAIL CONVERSION PROJECT ONGOING (DVD-40:40)

Hauersperger informed the Board that the email conversion project throughout the City is ongoing. All City email addresses now end in jasperindiana.gov.

PHONE SYSTEMS (DVD- 41:16)

Hauersperger informed the Board that he spoke to Brian Scott, IT consultant, today and is hoping the phone upgrade specifications will be ready tomorrow and bids sent out shortly.

FIBER OPTIC (DVD -41:35)

Hauersperger informed the Board that five out of nine facilities within the City are now hooked up to the fiber optic. The Electric Department is the only utility that has the fiber optic hooked up at this time.

ELECTRIC TRACKER (DVD-42:13)

Hauersperger reminded the Board that after the last Electric rate study the Board decided to change the electric tracker method to the IMPA format, which is quarterly verses monthly. Our Utility Controller has been researching the new quarterly tracking method calculations. She would like HJ Umbaugh to help with the quarterly tracker calculation until she feels comfortable with the new method. HJ Umbaugh has quoted the City \$700 per quarter to help with the tracker calculations. Hauersperger stated that the contract is an as needed basis per quarter. Hauersperger recommends at least two to three quarters or as needed.

Wayne Schuetter made a motion to approve the contract with HJ Umbaugh for \$700 per quarter on an as needed basis. Doug Schulte seconded the motion. Motion approved, 7-0.

Attorney Kabrick stated that she has not reviewed the contract from HJ Umbaugh at this time.

Wayne Schuetter made a motion to approve the action with HJ Umbaugh based on approval of the contract by the Legal department. Keith Masterson seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-46:13)

Roger Seng reported that the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Keith Masterson made a motion to approve the claims as presented. Wayne Schuetter seconded the motion. Motion approved, 7-0.

RESOLUTION USB 2015-2 (DVD-47:57)

Attorney Kabrick presented Resolution USB 2015-2, to the Board, regarding service of the Utilities to annexed areas and other matters connected therewith. This Resolution opposes Indiana Senate Bill 309 and recommends that changes be made to that legislation.

Wayne Schuetter made a motion to approve Resolution USB 2015-2. Doug Schulte seconded the motion. Motion approved, 7-0.

Wayne Schuetter stated that Indiana Senate Bill 309, as passed, does not present a level playing field to all parties involved. This Resolution wants to add an amendment to the bill that would allow citizens to petition the Indiana Utility Regulatory Commission to consider a service territory change, so they can receive all municipal services. Schuetter also said that to his knowledge, annexation of electric service territory in Jasper is only granted to customers upon

their request. This bill could damage Municipal Utilities in the state. Schuetter hopes an amendment to the bill will be considered.

There being no further business to come before the Board, the meeting was adjourned at 7:46PM upon motion by Alex Emmons and seconded by Keith Masterson. Motion approved, 7-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2015.

Attest: _____
Secretary Chairman